

CHARTER OF THE CITY OF SAN DIEGO

Section 109

1. Original Charter section approved by voters April 7, 1931

Section 109. ACCOUNTS OF MUNICIPALLY OWNED UTILITIES. Accounts shall be kept for each public utility owned or operated by the City and for each income producing Department or Division distinct from other City accounts and in such manner as to show the true and complete financial result of such City ownership, or ownership and operation, including all assets, liabilities, revenues, and expenses. These accounts shall show the actual cost to the City of each public utility owned and of each income producing Department or Division; the cost of all extensions, additions and improvements; all expenses of maintenance; the amounts set aside for bond interest and redemption; and, in the case of City operation, all operating expenses of every description. They shall show as nearly as possible the value of any service furnished to or rendered by any such public utility by or to any other City or governmental department. They shall also show a proper allowance for depreciation, insurance, and interest on the investment, and estimates of the amount of taxes that would be chargeable against the property if privately owned or subject to State tax. When bonds are hereafter issued for any income producing activity, the net income arising from such activity shall be applied upon the interest and principal of said bonds. The Council shall annually cause to be made and printed for public distribution a report showing the financial results of such City ownership, which report shall give the information specified in this Section and such other information as the Council shall deem expedient.

2. Amendment voted 04-22-1941; effective 05-08-1941

Section 109. ACCOUNTS OF MUNICIPALLY OWNED UTILITIES. Accounts shall be kept for each public utility owned or operated by the City distinct from other City accounts and in accordance with the uniform classification of accounts, prescribed by the Railroad Commission of the State of California for such class of public utility, in so far as the same may be applicable to the accounts of municipally owned utilities. They shall show as nearly as possible the cost of any service furnished to or rendered by any such public utility by or to any other department of the City. They shall also show an estimate of the amount of ad valorem taxes, whether paid or not, that would be chargeable against the property if privately owned. There shall also be shown in such accounts the sinking fund or redemption requirements for all bonds hitherto or hereafter issued to obtain funds for the construction of the property of such public utility. The accounts shall show a proper allowance for depreciation on all property used in

rendering utility service, and such depreciation shall be taken account of in fixing the charges made for service rendered by such utility. The purpose of such accounts shall be to show as nearly as may be the cost of rendering the service provided by such municipally owned utility. The Council may cause to be made and reproduced for public distribution reports showing the financial results of such City ownership and operation, or such other information as the Council shall deem expedient.

Repeal voted 11-03-1964; effective 01-21-1965.